

A long-exposure photograph of a city street at night. The image shows tall buildings with lit windows, streetlights, and light trails from moving vehicles. The scene is vibrant with various colors from the city lights.

**TRAFFIC**  
TECHNOLOGIES

# Traffic Technologies Ltd

FY24 – Results Presentation



## Company Highlights

Despite a challenging year with supply chain issues and disruptions, Government delays on long-term projects and capital constraints, the Company remains optimistic for the future.

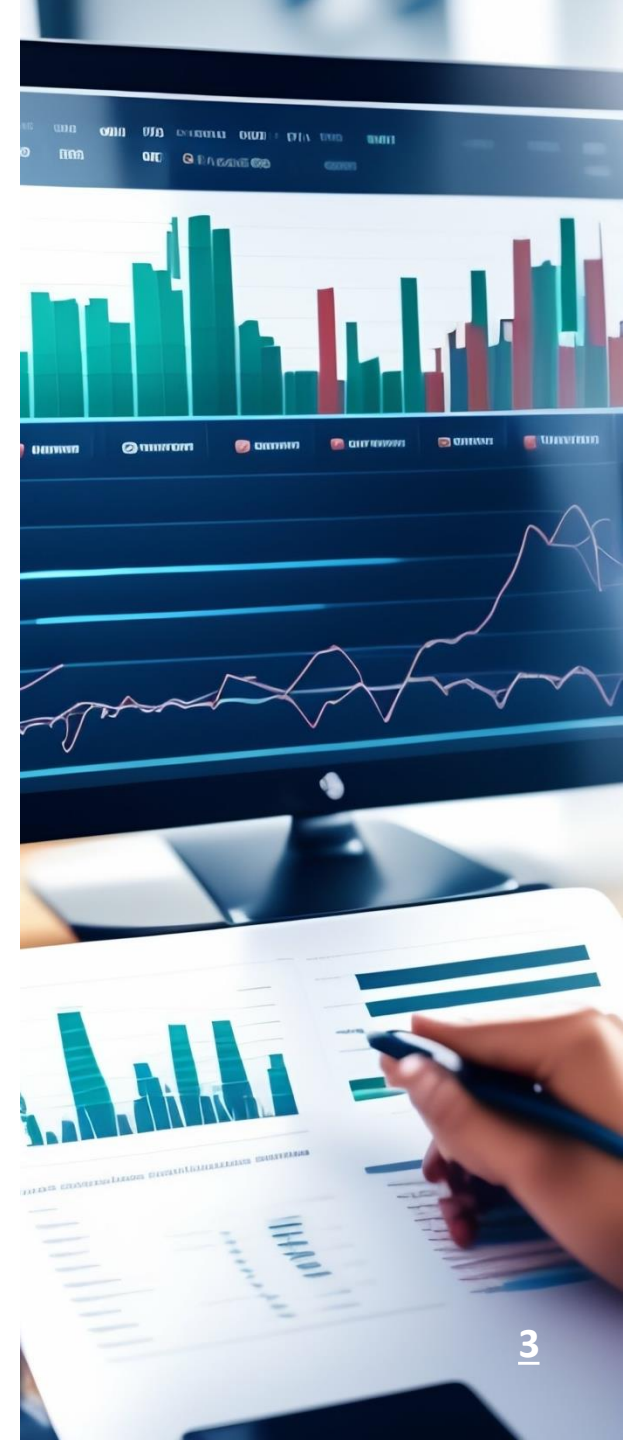
- Outlook strong with long-term term contracts and a strong order book.
- Cost reduction program is already achieving significant savings.
- Relocation of Head Office and main manufacturing facility to Fairfield, Victoria has been completed, achieving substantial long-term cost savings.
- Offices and manufacturing in NT and QLD have been relocated to reduce overheads.
- The Group is in the process of refinancing its debt facilities to improve access to working capital.
- Manufacturing service agreement reached with Season Group, a Hong Kong based electronic manufacturing services provider.



## FY24 Results Summary

(A\$m)	FY24	FY23
Revenue (\$m)	31.9	58.0
EBITDA (\$m)	(7.9)	2.1
D&A (\$m)	(2.6)	(2.2)
Impairment	(3.0)	(6.0)
EBIT (\$m)	(13.5)	(6.1)
Interest (\$m)	(1.8)	(1.8)
NPAT (\$m)	(15.3)	(7.9)

- Result impacted by supply chain issues, government delays on projects and working capital constraints.
- Revenue 45% lower as a result of above.
- EBITDA impacted by lower revenue.
- \$3.0m impairment provision against intangible assets.
- Finance costs same despite lower debt, because of higher interest rates.
- Strong order book and long-term contracts giving greater certainty for FY25 and future revenue.



CASH FLOW (\$m)	FY24	FY23
Receipts	40.7	64.8
Payments	(35.3)	(60.0)
Interest	(1.4)	(1.5)
<b>Operating Cash Flows</b>	<b>4.1</b>	<b>3.4</b>
PP&E	(0.2)	0.7
Intangible Assets	(1.3)	(2.2)
<b>Investing Cash Flows</b>	<b>(1.5)</b>	<b>(1.6)</b>
Issue of Shares	1.3	-
Capital Raising Costs	(0.1)	(0.0)
Borrowing Proceeds	0.7	9.0
Borrowing Repayments	(5.2)	(10.3)
Borrowing Costs	-	(0.3)
<b>Financing Cash Flows</b>	<b>(3.3)</b>	<b>(1.7)</b>
Cash Start	1.2	1.0
<b>Net Cash Flow</b>	<b>(0.7)</b>	<b>0.2</b>
Cash End	0.5	1.2

## Cash Flow

- Customer receipts affected by lower sales for the year
- Positive operating cash flow
- Intangible assets includes investment in R&D projects necessary to maintain the Company's competitive position
- Financing cash flow include placement and proceeds from Share Purchase Plan
- Significant repayment of debt, which has constrained access to working capital to fund operations

Balance Sheet (\$m)	FY24	FY23
Cash	0.5	1.2
Receivables	4.1	10.0
Inventories	9.2	15.1
<b>Total Current Assets</b>	<b>13.7</b>	<b>26.3</b>
PP&E	3.4	2.5
Intangibles	3.9	7.1
<b>Total Non-Current Assets</b>	<b>7.3</b>	<b>9.6</b>
<b>Total Assets</b>	<b>21.0</b>	<b>35.9</b>
Payables	14.5	12.7
Borrowings	5.3	9.4
Provisions	2.7	3.2
<b>Total Current Liabilities</b>	<b>22.5</b>	<b>25.3</b>
Borrowings	5.9	3.9
Provisions	0.2	0.2
<b>Total Non-Current Liabilities</b>	<b>6.1</b>	<b>4.1</b>
<b>Total Liabilities</b>	<b>28.6</b>	<b>29.4</b>
<b>Equity</b>	<b>(7.6)</b>	<b>6.5</b>

## Balance Sheet

- Balance sheet impacted by loss for the year, including \$3.0m impairment provision
- Inventory reduced significantly in the year to \$9.2m
- Net debt: \$8.3m – reduced by 24% in the year

*Net Debt excludes capitalised property leases*



## How the Business is Evolving

- TTL is a major participant in the “Intelligent Transport Systems” market in Australia with its “Traffic Smart City Technology” (TST) platform.
- The Group has transitioned from a manufacturer and supplier of traffic management products to an integrated supplier of products, services and software applications to the road industry and government.
- TTL Smart City - lighting products, now entering the UK, with future earnings underpinned by long-term customer contracts and orders from state and local government agencies and power companies



## Outlook and Business Strategy



### *TTL expects earnings enhancements and cost savings from a variety of sources:*

- Despite the FY24 result the outlook is positive and the Group is expected to return to its growth path in the year ahead.
- Demand for the Group's products and services continues to be strong with significant investment in road infrastructure programs announced by Federal and State governments.
- The Group is addressing the composition of its working capital facilities to ensure an appropriate facility structure in line with the requirements of the business.
- The Company recently announced that it had entered into binding agreements for the refinancing of its existing debt facilities.
- The agreement also includes a placement of new shares in the Company to improve its working capital position to fund its ongoing operations.
- The Group has a strong order book with customer term contracts extending up to 5 years.
- The Group's cost reduction program is enabling the Group's cost base to be reduced and has started to deliver a positive impact.
- The consolidation of properties and reorganization of manufacturing in Victoria has been completed.
- All divisions of TTL Group have ISO Certification: ISO 9001 - Quality, ISO 45001 - OH&S, ISO 14001 - Environmental.

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This announcement has been authorised by the Board of Directors of TTI



## TTL Group of Companies

Traffic Technologies Ltd	DeNeeffe Signs	Aldridge Traffic Systems	QTC Traffic Solutions	Aldridge Traffic Systems UK	L&M Traffic Services	ITS - Intelligent Traffic Systems
Head Office	Head Office	12-14 Leeds Street, Rhodes NSW 2138 Australia	12-14 Leeds Street Rhodes NSW 2138 Australia	Units D3+D5 Cowlairs Southglade Business Park off Rigley Drive Top Valley Nottingham NG5 9RA UK	320 Darebin Road Fairfield Victoria 3078 Australia	Unit 19, 15 Holt Street, Pinkenba QLD 4008 Australia
320 Darebin Road Fairfield Victoria 3078 Australia	320 Darebin Road Fairfield Victoria 3078 Australia	T: + 61 2 9701 9900 F: + 61 2 9736 3391	T: + 61 2 9701 9900 F: + 61 2 9736 3391	T: + 44 7400 189720 F: + 44 1159 223836	T: + 61 3 9768 2637 F: + 61 3 9768 2364	T: 1300 769 852
T: + 61 3 9430 0222 F: + 61 3 9430 0244	T: + 61 3 9430 0266 F: + 61 3 9430 0277					
Offices in:						
<ul style="list-style-type: none"> <li>Northern Territory</li> <li>Tasmania</li> <li>Queensland</li> <li>Western Australia</li> <li>Victoria</li> <li>New South Wales</li> </ul>						

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